

# HAWAII STATE ETHICS COMMISSION

## DISCLOSURE OF FINANCIAL INTERESTS (LONG FORM)

<b>NAME (Last, First, Middle)</b>  Harbin, Beverly Wolff	<b>STATE POSITION HELD: (Dept/Div or Board/Commission)</b> Hawaii State Legislature <del>House of Representatives</del> <b>TERM OF OFFICE (Begin/End):</b> 09/09/05 / 01/18/07
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**FOR EACH ITEM, EXCEPT ITEM 9, DISCLOSE INTERESTS OF FILER, SPOUSE, AND DEPENDENT CHILDREN.**  
 USE THE ABBREVIATIONS: "F" for filer, "SP" for spouse, "DC" for dependent children, and "JT" for joint interests of the spouse and filer.

### ITEM 1: INCOME FOR SERVICES RENDERED FOR PRECEDING CALENDAR YEAR

List the source (the term "source" also includes any state or other government agencies) and amount of all income of \$1,000 or more received during the preceding calendar year, for services rendered, and the nature of the services rendered.

F,SP,DC,JT	NAME AND ADDRESS OF SOURCE OF INCOME	AMOUNT	SERVICES RENDERED
F	Chamber of Commerce of Hawaii	B	Small Business Advocacy

☐ Check here if entry is None
☐ Check here if additional sheets are attached

### ITEM 2: OWNERSHIP OR BENEFICIAL INTERESTS IN BUSINESSES

List the amount and identity of every ownership or beneficial interest held during the disclosure period in any business incorporated, regulated, or licensed to carry on business in the State if the interest has a value of \$5,000 or more or is equal to 10% or more of the ownership of the business.

F,SP,DC,JT	BUSINESS NAME AND ADDRESS	NATURE OF BUSINESS	NATURE OF INTEREST	VALUE OR NO. OF SHARES
F	Small Business Advocacy Center, LLC	Consulting	Owner/Member	100%
F	<i>Hon/Hawaii Services Inc.</i> <i>Address for both:</i> <i>1080 Kalia ST</i> <i>Suite 1213</i> <i>Hon, HI 96813</i>	<i>Automotive Repair</i> <i>&amp; Service</i>	<i>Owner/</i> <i>Shareholder</i>	<i>100%</i>

☐ Check here if entry is None
☒ Check here if additional sheets are attached

### ITEM 3: TRANSFER OF OWNERSHIP OR BENEFICIAL INTERESTS IN BUSINESSES

List any ownership or beneficial interests in businesses transferred during the disclosure period and the date of transfer.

F,SP, DC,JT	OWNERSHIP OR BENEFICIAL INTEREST TRANSFERRED DURING THIS DISCLOSURE PERIOD	DATE OF TRANSFER

☒ Check here if entry is None

☐ Check here if additional sheets are attached

### ITEM 4: CREDITORS

List the name and address of each creditor to whom the value of \$3,000 or more was owed during the disclosure period and the original amount and amount outstanding (excluding debts arising out of retail transactions or the purchase of consumer goods).

F,SP, DC,JT	NAME OF CREDITOR AND ADDRESS	ORIGINAL AMOUNT OWED	AMOUNT OUTSTANDING
F	First Hawaiian Bank (Guarantor)	\$7000.00	\$7000.00
F	Warehousing Inc (Guarantor)	\$7000.00	\$7000.00
JT	Fair Motor	\$4000.00	\$4000.00
	* See attached regarding Hon/Hawaii Services Inc		
F	Federal/State taxes - 2004	unknown on extension	
F	Provident Credit Card (used for business)	\$15,000	\$10,000

☐ Check here if entry is None

☒ Check here if additional sheets are attached

### ITEM 5: OFFICERSHIPS, DIRECTORSHIPS, TRUSTEESHIPS

List every officership, directorship, trusteeship, or other fiduciary relationship held during the disclosure period in any business or organization, the term of office, and the annual compensation.

F,SP, DC,JT	NAME AND ADDRESS OF BUSINESS	TITLE HELD	TERM OF OFFICE	ANNUAL COMPENSATION
F	Emerging Lawyers Chamber of Commerce	President	Indefinite	0
F	Kaahalo Improvement Assn. Bd. member PO Box 3796, Hon, HI 96812		1-06 (1995)	6
F	Hon/Hawaii Services Inc	P. U. Dir	* President	0
F	Small Business Advisory Center LLC	Managing member	Indefinite	0
	* 1088 Bishop Street Suite 1213 Hon, HI 96813		\$1991-present	

☐ Check here if entry is None

☐ Check here if additional sheets are attached

**ITEM 6: INTERESTS IN REAL PROPERTY HELD IN THE STATE**

List interests in real property in the State, held during the disclosure period, if the interest has a value of \$10,000 or more.

F,SP, DC,JT	STREET ADDRESS	TAX MAP KEY NUMBER	VALUE
<input checked="" type="checkbox"/>			

☒ Check here if entry is None ☐ Check here if additional sheets are attached

**ITEM 7: INTERESTS IN REAL PROPERTY ACQUIRED**

List interests in real property in the State, acquired during the disclosure period, if the interest has a value of \$10,000 or more.

F,SP, DC,JT	TAX MAP KEY NUMBER & STREET ADDRESS	AMOUNT & NATURE OF CONSIDERATION PAID	NAME OF PERSON RECEIVING THE CONSIDERATION
<input checked="" type="checkbox"/>			

☒ Check here if entry is None ☐ Check here if additional sheets are attached

**ITEM 8: INTERESTS IN REAL PROPERTY TRANSFERRED**

List interests in real property in the State, transferred during the disclosure period, if the interest has a value of \$10,000 or more.

F,SP, DC,JT	TAX MAP KEY NUMBER & STREET ADDRESS	AMOUNT & NATURE OF CONSIDERATION RECEIVED	NAME OF PERSON FURNISHING THE CONSIDERATION
<input checked="" type="checkbox"/>			

☒ Check here if entry is None ☐ Check here if additional sheets are attached

# **ITEM 9: CLIENTS PERSONALLY REPRESENTED BEFORE STATE AGENCIES**

List the names of clients personally represented by you before state agencies, except in ministerial matters, for a fee or compensation during the disclosure period, excluding clients represented before courts.

NAME OF CLIENT	NAME OF STATE AGENCY
Hawaii Island contractors Hawaii IPA (Hawaii Independent Physicians Assoc)	<i>only for 3 weeks</i> Legislature - Senate Bill 935 Dept of Health / Department of Labor DCC #1 / Legislature

☐ Check here if entry is None

☐ Check here if additional sheets are attached

## **ITEM 10: CREDITOR INTERESTS IN INSOLVENT BUSINESSES**

List the amount and identity of every creditor interest in insolvent businesses, held during the disclosure period, if the interest has a value of \$5,000 or more.

F,SP,DC,JT	NAME AND ADDRESS OF BUSINESS	NATURE OF BUSINESS	NATURE OF INTEREST	VALUE
			STATE OF HAWAII STATE ETHICS COMMISSION NOV -3 AM 12:24	

☒ Check here if entry is None

☐ Check here if additional sheets are attached

**CERTIFICATION:** I hereby certify that the above is a true, correct, and complete statement to the best of my knowledge and belief. If I have a spouse and/or dependent children, I also hereby certify that I have included their interests on this form to the best of my knowledge and belief. I understand that it is a violation of State law, chapter 84, HRS, if information is not disclosed as required by chapter 84, HRS. I further understand that there are statutory penalties for noncompliance.

SIGNATURE

DATE

BEVERLY WOLFF HARBIN  
(ADDITONAL COMMENTS AND NOTES)

Item 4: Creditors

It has been publicly stated that I, Bev Harbin personally owe taxes to the State of Hawaii for GET due and owing for Hon/Hawaii Services, Inc, a business I owned and created in 1991. The taxes that are owned are taxes due and owing by the corporation of which I was the stock holder. (The principal is approximately \$79,000 and the balance is the 25% penalty and interest) Although the corporation was and is a closely held corporation I would like to provide some back ground historic information regarding the income and taxes paid by the corporation prior to its closure due to the state of the economy in the 1990s and other factors that compounded the corporations ability to survive.

STATEMENT OF BEVERLY WOLFF HARBIN  
President, Hon/Hawaii Services, Inc

"During the course of the business life of Hon/Hawaii, it generated over **\$9 million** in gross income, **paid over \$400,000 in GET taxes, \$900,000 in rents, \$80,000 in property taxes** -- not including the infamous hidden regressive pyramid gross excise tax that was paid in addition to the rent and property taxes of approximately \$10,000 per year. Most importantly is the millions of dollars in payroll to more than 30 employees, many of whom are still employed at the trade they learned and continue to be tax paying citizens of Hawaii.

As a typical small business in Hawaii, we were hit right between the eyes with the long downturn in the economy and, in 1998, we made the decision to downsize and hold tight because -- like all other small business owners, we lived on risk and optimism and we truly believed that the economy would turn around. It became apparent in 2000 that the company could not survive because of factors beyond my control, which will be discussed more in depth in the public forum.

I disposed of my personal assets, including selling my house, paid off what I could, tried to keep the business running and all the while I made sure the employees had their last paychecks and we closed down. While there were debts of the corporation that I am not liable for personally and those which I was a personal guarantor, I having been working to pay off the debts while supporting my family. I could have simply bankrupted the company and walked away from the tax debt, but I chose to not do so. As many taxpayers know, delinquent taxes tend to expand with interest and penalties, even as one strives to pay them off. Hon/Hawaii was not "breaking the law," Hon/Hawaii owed taxes and I am personally working to pay them."